

Republican Spending Bill Cuts Critical Investments Needed to Out-Innovate, Out-Build Global Competitors

We need to cut spending but make critical investments that allow our nation to out-innovate and out-build our competitors throughout the world, and Republicans fail that test.

The Republican Spending Bill undermines our ability to **OUT-INNOVATE** our competitors and keep our nation the world leader in cutting-edge fields by cutting:

- 20,000 researchers at the National Science Foundation, the country's largest funder of the physical sciences
- \$1.4 billion in science and energy research to spur the clean energy economy of the future
- \$1.6 billion in cancer and other disease research at the National Institutes of Health

The Bill undermines our ability to **OUT-BUILD** our competitors and strengthen infrastructure that is critical for companies to grow and create jobs by cutting:

- \$2.5 billion for high-speed rail projects already awarded
- 25,000 new construction jobs and 76 projects in 40 states
- \$234 million to improve our nation's air traffic control system

According to an analysis by the Democratic staff of the Transportation and Infrastructure Committee, Republican cuts to surface transportation projects will cost nearly 300,000 private-sector jobs.

Over the past few decades, the government has made critical investments in research and development that have led to some of the world's greatest innovation and our global competitors have increased their research investments in order to catch up. To maintain our position as a leader in cutting-edge fields, we must continue to support our nation's innovators.

"The first step in winning the future is encouraging American innovation. None of us can predict with certainty what the next big industry will be or where the new jobs will come from... What we can do -- what America does better than anyone else -- is spark the creativity and imagination of our people... In America, innovation doesn't just change our lives. It is how we make our living." -President Obama
[State of the Union Address, 01/25/11]

The President's budget makes the tough choices between necessary cuts and strategic investments in research by promoting basic research, scientific innovation, and renewable energy technologies, including:

- Funding for the National Institutes for Health so that we can continue critical cancer and disease research;
- And funding for innovative and renewable energy technologies, while decreasing funding for fossil fuels.

In order to grow our economy and create jobs, we need to strengthen our infrastructure so that companies can move their goods quicker and cheaper and communicate with clients easily. Many of our global competitors have increased access to high-speed internet and upgraded their roads, railways and airports, and trains. Investing in our infrastructure is critical to building an environment that encourages companies to grow in the U.S.

“To attract new businesses to our shores, we need the fastest, most reliable ways to move people, goods, and information -- from high-speed rail to high-speed Internet. Our infrastructure used to be the best, but our lead has slipped...We have to do better.”

-President Obama [State of the Union Address, 01/25/11]

President Obama’s budget makes critical investments in our public infrastructure so that we can help businesses grow, including:

- Funding for highway, highway safety and mass transit programs so that we can rebuild our roads;
- Funding for the High Speed Rail Initiative so that we can transport people and goods more quickly;
- And funding for the National Wireless Broadband Initiative to increase internet access throughout the country.

These investments are supported by both labor and business:

Thomas Donahue, President, Chamber of Commerce: *“Public and private investment in the economic foundation of the United States is critical for long-term economic prosperity. The United States’ global competitiveness is dependent on construction and maintenance of a world class infrastructure. As the President recognized in his State of the Union address, lasting jobs grow where infrastructure is strong.”* [Testimony before Senate Committee on Environment and Public Works, 02/16/11]

Richard Trumka, President, AFL-CIO: *“The fact that Mr. Donohue and I appear before you today does not mean that hell has frozen over -- or unicorns are now roaming the land. ... Strong federal investment in our transportation system has never been more important to support the economy and create and sustain good jobs for U.S. workers.”* [Testimony before Senate Committee on Environment and Public Works, 02/16/11]

National Association of Manufacturers: *“...without proper investment and attention to infrastructure, the United States’ economic stability, potential for job growth, global competitiveness, and quality of life are all at risk. Cuts to federal highway and public transportation funding might appear to be penny wise, but could actually be a pound foolish. Increasing investment could do even more by giving the country an economic shot-in-the-arm and support even more direct jobs in the short term.”* [Letter to Members of Congress from 31 Organizations, 02/14/11]

Marc Benioff, CEO, Salesforce.com Inc.: *“The No. 1 thing the government needs to do is increase its research funding... This is where the government adds tremendous value,” said Mr. Benioff, who noted that his company is based on technology—the Internet—that grew out of research commissioned by the U.S. government in the 1960s.... Greater spending on research ‘is critical for us in every area, in cyber-security, in computational sciences, even in health-information technologies,’ Mr. Benioff said.”* [WSJ, 01/27/11]

Samuel Palmisano, CEO, IBM Corporation: *“I think a lot of the things that [President Obama] articulated in the State of the Union the tech community is very supportive of: innovation, [research and development], education and competitive tax structure.”* [Bloomberg, 02/01/11]